

Mint of the United States.

Philadelphia, January 16, 1850.

Sir,

As measures seem about to be taken for establishing a Branch Mint in California, it is important that attention should be called to a provision in the existing laws, which, if not modified, would make coinage, at the proposed Mint, exceedingly expensive, if not impracticable.

The provision in question is in the Act of January 18th, 1837, Section 8th, which requires that "the alloy of gold coins shall be of copper and silver, provided that the silver does not exceed one half of the whole alloy."

I would suggest that in an Act establishing a Branch Mint in California, it be provided, That the alloy of the gold coins made at that ^{Branch} Mint shall be of silver alone, or of copper and silver, as the Director of the Mint, with the concurrence of the Secretary of the Treasury, may from time to time prescribe. The reasons which call for this change are as follows.

[Few copy from M. S.]

In the course of time, however, it is probable that the difficulties now existing ^{might} be so far removed that the parting of the silver may become desirable, and hence a provision for this contingency has been proposed.

Very

Respectfully yours,
Wm. M. Meredith,
Secretary of the Treasury.

R. M. P.

Dr.

In the establishment by laws of a Branch Mint in California, there is one provision of existing mint laws which would seem to require modification, with reference to that branch, ~~and~~ to ensure its successful operation. The act of Jan'y 1837 provides, Sect. 8, that "the alloy of the gold coins shall be of copper and silver, provided that the silver do not exceed one-half of the whole alloy." - For this it is ~~to be~~ proposed to substitute, so far as concerns that branch of the Mint, that "the alloy of the gold coins shall be of silver, or of copper and silver, as the Director of the Mint, with the concurrence of the Sec. of the Treasury, may from time to time prescribe."

Copy. [The gold of California is naturally alloyed with silver only; and in the average proportions

of 888 parts gold to 108 parts silver, per thousand.
(The presence of a little iron is of no practical moment.)

Judging from the monthly importations of that gold, for the last few months, into our Atlantic ports, a branch mint there would probably be called upon ^{operate upon an amount of} to ~~work up~~ one million of dollars' worth, monthly; [which estimate, ~~while~~ tho' it adds something to our actual receipts, does not include any that would be shipped for European account.] The equivalent of that sum, in weight, is about 54,000 ounces; say 650,000 ounces annually. — To comply with the existing law, even in its lowest demands, there would need to be subjected to the chemical process of parting, three-fifths of that amount, say 390,000 ounces.

So prodigious an amount of ~~that~~ ^{of this kind} sort of work is probably nowhere performed, if we except the mint here and the refineries in Russia ~~probably not performed at any point of refinery in~~ ^{if we except the mint at Phila., & the refineries of Russia.} The world, ^{out of} ~~if we except~~ Russia. The difficulty does not indeed lie in that fact, but in this other coupled with it, — that of all countries, California

is the most illy-provided for such work. This is so, from the want of materials; from ^{its} remoteness from the manufactories of those materials; and because those materials, or some of them, are of such a kind as it is difficult and expensive to transport; and because labour is so costly.

The 390,000 ozs. of gold would require 150,000 pounds of nitric acid, for the parting. Without the greatest precautions in packing, to prevent the escape of any portion of that destructive fluid, or even of its fumes, vessels will not carry it at all, certainly not below deck. It is carried on deck to New Orleans; but this carriage ^{would hardly} not be risked on a voyage eight times as distant, and around Cape Horn. B - Besides this, there would be required large quantities of sulphuric acid,
Fuel, also, an article of some importance in a refinery, costs at present, in San F. 40
to 50 dollars a cord of a slender scrubby oak, and 630 for two tons of anthracite coal; the wood being
imported from Oregon, & the coal from Vancouver's Island & from Pennsylvania.
 zinc, nitre, ^{and} common salt. - And not least of all, some ~~five~~ or six additional workmen would be necessary, (if indeed they could be found for such a noisome business, in that new country,) at wages certainly not less than six dollars per diem, each.

so that the silver parted out, would not pay the expenses, much less be of any advantage to depositors.

Another capital objection is, that the necessity for so much refining would ~~at times~~ occasion delay and uncertainty as to coinage and payment; of which, with all our advantages, we have had sufficient proof.

The amendment proposed, th' it would require ~~some~~ refining to bring the gold up to the standard of ~~900~~ nine-tenths, would remove the only serious obstacle to the project, so far as is perceived, and under the operations of the Branch Mint easy, rapid, and ~~economic~~ comparatively cheap. The coins would be ~~pure~~ ~~unexchangeable~~ the same in ~~as~~ ours in the essential properties of weight, fineness and value, and altho' paler in colour, would be uniform in that respect among themselves, and not different from the gold coins of the Pacific coast generally. [And as facilities increase, the latitude allowed in the law would enable those entrusted with the coinage to exercise a sound discretion in modifying the alloy. —

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Secretary of Treasury

Jan. 15 / 50.

Manus must eat?

Mint Office United States
Philadelphia

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In the course of time, however, it is probable that the difficulties now existing, might be so far removed that the parting of the silver may become desirable, and hence a provision to that contingency has been proposed.

R.M.P., Dir.

To,
Hon. William M. Meredith,
Secretary of the Treasury

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So prodigious an amount of work of this kind is probably no where performed, if we more than four-fifths, if we except the mint here and the refineries in Russia. The difficulty does not indeed lie in that fact, but in this other coupled with it, that of all countries, California is the most illy provided for such work. This is so, from the want of materials; from the remoteness from the manufactories of those materials; and because those materials, or some of them, are of such a kind as it is difficult and expensive to transport; and because labor is so costly.

The 390,000 ozs. of gold would require 150,000 pounds of nitric acid for the parting. Without the greatest precautions in packing, to prevent the escape of any portion of that destructive fluid, or even of its fumes, vessels will not carry it at all, certainly not below deck. It is carried on deck to New Orleans, but this carriage [cannot] be risked on a voyage eight times as distant, and around Cape Horn. Besides this, there would be required large quantities of sulphuric [sic] acid, zinc, nitre, and common salt. And not least of all, some five or six additional workmen would be necessary, (if indeed, they could be found for such a remote business, in that new country), at wages, certainly not less than six dollars per diem each.

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